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AMENDMENTS TO LB 119

1 1. Insert the following new section:

2 "Sec. 27. Section 44-7508.02, Reissue Revised Statutes
3 of Nebraska, is amended to read:

4 44-7508.02. (1) For policy forms to which this section
5 applies as provided in section 44-7508.01, each insurer shall file
6 with the director every policy form and related attachment rule and
7 every modification thereof which it proposes to use. For policy
8 forms to which this section applies, no insurer shall issue a
9 contract or policy except in accordance with the filings that are
10 in effect for such insurer as provided in the Property and Casualty
11 Insurance Rate and Form Act except as provided in subsection (10)
12 or (11) of this section or as provided by rules and regulations
13 adopted and promulgated pursuant to section 44-7514 or 44-7515.

14 (2) Every filing shall state its effective date, which
15 shall not be prior to the date that the director receives the
16 filing.

17 (3) Every policy form filing shall explain the intended
18 use of such policy forms. Filings shall include a list of policy
19 forms that will be replaced when the approval of a filing will
20 result in the replacement of previously approved policy forms. In
21 addition, insurers shall maintain listings of policy forms that
22 have been filed so that such listings can be provided upon request.

23 (4) The director shall acknowledge receipt of a policy
24 form filing as soon as practical. A review of the filing by the

1 director is not required to issue this acknowledgment, and
2 acknowledgment shall not constitute an approval by the director.

3 (5) The director may review a policy form filing at any
4 time after it has been made. The director shall review a policy
5 form filing for insurance covering risks of a personal nature,
6 including insurance for homeowners, tenants, private passenger
7 nonfleet automobiles, mobile homes, and other property and casualty
8 insurance for personal, family, or household needs, within thirty
9 days after the filing has been made. Following such review, the
10 director shall disapprove a filing that contains provisions,
11 exceptions, or conditions that: (a) Are unjust, unfair, ambiguous,
12 inconsistent, inequitable, misleading, deceptive, or contrary to
13 public policy; (b) are written so as to encourage the
14 misrepresentation of coverage; (c) fail to reasonably provide the
15 general coverage for policies of that type; (d) fail to comply with
16 the provisions or the intent of the laws of this state; or (e)
17 would provide coverage contrary to the public interest.

18 (6) If, within thirty days after its receipt, the
19 director disapproves a filing that requires disapproval pursuant to
20 subsection (5) of this section, then a written disapproval notice
21 shall be sent to the insurer. The disapproval notice shall specify
22 in what respects the filing fails to meet these requirements. Upon
23 receipt of the notice of disapproval, the insurer shall cease use
24 of the filing as soon as practical but may use the form for
25 policies that have already been issued or when pending coverage
26 proposals are outstanding.

27 (7) If, within thirty days after its receipt, the

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1 director requests additional information to complete review of a
2 policy form filing, the thirty-day review period allowed in
3 subsection (6) of this section shall commence on the date such
4 information is received by the director. If a filer fails to
5 furnish the required information within ninety days, the director
6 may, by written notice sent to the insurer, deem the filing as
7 withdrawn and not available for use.

8 (8) An insurer whose filing is disapproved pursuant to
9 subsection (6) of this section may, within thirty days after
10 receipt of a disapproval notice, request a hearing in accordance
11 with section 44-7532.

12 (9) An insurer may authorize the director to accept
13 policy form filings made on its behalf by an advisory organization.

14 (10) (a) Subject to the requirements of this subsection,
15 policy forms unique in character and designed for and used with
16 regard to an individual risk under common ownership subject to the
17 rate filing provisions of section 44-7508 shall be exempt from
18 subsection (1) of this section.

19 (b) At the earliest practical opportunity, but no later
20 than thirty days after the effective date of the policy using
21 unfiled provisions, the insurer shall provide the prospective
22 insured with a written listing of the policy forms that have not
23 been filed with the director. This requirement does not apply to
24 renewals using the same unfiled policy forms.

25 (c) A policy form that has been used in this state or
26 elsewhere by the insurer for another risk shall not be subject to
27 the exemption provided by this subsection, except that an insurer

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1 may use a policy form previously developed for a single risk for a
2 second risk if the policy form is filed within sixty days after its
3 second usage.

4 (d) The exemption provided by this subsection shall not
5 apply to policy forms that, prior to their use by the insurer, had
6 been filed by an advisory organization in this state or had been
7 filed by the insurer in any jurisdiction, regardless of whether
8 approval was received.

9 (e) The director may by rule and regulation or by order
10 make specific restrictions relating to the exemption provided by
11 this subsection and may require the informational filing of policy
12 forms subject to such exemption within a reasonable time after
13 their use. Any such informational filings specifically relating to
14 individual risks shall be confidential and may not be made public
15 by the director except as may be compiled in summaries of such
16 activity.

17 (11) The director may by rule and regulation suspend or
18 modify the filing requirements of this section as to any type of
19 insurance or class of risk for which policy forms cannot
20 practicably be filed before they are used. The director may
21 examine insurers as is necessary to ascertain whether any policy
22 forms affected by such rules and regulations meet the standards
23 contained in the Property and Casualty Insurance Rate and Form Act.

24 (12) If, at any time after the expiration of the review
25 period provided by subsection (6) of this section or any extension
26 thereof, the director finds that a policy form, attachment rule, or
27 modification thereof does not meet or no longer meets the

1 requirements of subsection (5) of this section, the director shall
2 hold a hearing in accordance with section 44-7532.

3 (13) Any insured aggrieved with respect to any policy
4 form filing subject to this section may make written application to
5 the director for a hearing on such filing. The hearing application
6 shall specify the grounds to be relied upon by the applicant. If
7 the director finds that the hearing application is made in good
8 faith, that a remedy would be available if the grounds are
9 established, or that such grounds otherwise justify holding a
10 hearing, the director shall hold a hearing in accordance with
11 section 44-7532.

12 (14) If, after a hearing held pursuant to subsection (12)
13 or (13) of this section, the director finds that a filing does not
14 meet the requirements of subsection (5) of this section, the
15 director shall issue an order stating in what respects such filing
16 fails to meet the requirements and when, within a reasonable period
17 thereafter, such policy form or attachment rule shall no longer be
18 used. Copies of the order shall be sent to the applicant, if
19 applicable, and to every affected insurer and advisory
20 organization. The order shall not affect any contract or policy
21 made or issued prior to the expiration of the period set forth in
22 the order."

23 2. On page 33, strike beginning with the comma in line 5
24 through "(C)" in line 9 and insert "or (B)".

25 3. On page 116, line 2, strike the third comma and
26 insert "to".

27 4. Renumber the remaining sections and correct internal

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- 1 references accordingly.